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SUBJECT: SCENESETTER FOR VISIT OF SALVADORAN PRESIDENT SACA

Classified By: Ambassador Charles L. Glazer, Reasons 1.4 (b) and (d)

Introduction

11. (S) President Elias Antonio "Tony" Saca is likely to emphasize his concerns over Venezuelan and Iranian threats to regional stability and press for extension of TPS during his February 27 meeting with the President. Saca will also raise gang violence, deportation of Salvadoran criminal aliens, Major Non-NATO Ally (MNNA) status, and El Salvador's deployment of the eighth contingent of its Cuscatlan Battalion to Iraq. While in Washington, Saca plans to lobby members of Congress from both parties to support immigration reform. We hope that the President will thank Saca both for his insights on hemispheric politics and for Iraq,s support in Iraq, while also pressing the Salvadorans to move with determination on the question of public security. We also hope that the President will urge Saca to put factional politics aside and press to nominate ARENA, s strongest candidate to run in the 2009 presidential election.

Regional Challenges

- (C) Saca is increasingly concerned about the direction in which Latin America is headed, and is especially worried about Central America now that the Ortega administration in Nicaragua has been added to the tide of the leftist populism in the region. He contends that Venezuela and Cuba directly back El Salvador's hardliner-dominated FMLN, and will attempt to interfere in El Salvador's critical 2009 presidential, legislative, and municipal elections. The FMLN maintains strong ties with the new Ortega Administration. Although El Salvador was the first country to ratify CAFTA, and will receive over \$461 million in Millennium Challenge Account funds, economic benefits have been slow to kick in, and MCC spending will begin to register only shortly before the next election.
- (S) Saca is likely to raise the additional threat of expanding Iranian influence in the region. Saca and his advisers have shared with the Ambassador, and during Attorney General Gonzales's recent visit, their fears regarding this threat, citing recent travel of Salvadoran Shiites to Iran via Venezuela. For this reason, the GOES is preoccupied about the March 2 inauguration of a Tehran-Damascus-Caracas commercial air route. In Saca's words, the recent visit of the President of Iran to Nicaragua "piqued their radar." Saca adds that Salvadoran support of coalition forces in Iraq makes them feel more vulnerable to the Iranian threat.

Gang Violence and Deportations

 $\underline{\ }^{1}4.$ (C) Reliable polls show that violent crime is now Salvadorans' leading concern; gang violence accounts for as

much as 60 percent of all violent crime. Ten to twelve Salvadorans are murdered every day; El Salvador's 2006 homicide rate of approximately 57 per 100,000 population was the Western Hemisphere's highest, and indeed likely the world's worst outside of active war zones. The USG is helping the GOES to combat gang violence in many ways, including AG Gonzales's recently-announced initiative to help establish a Transnational Anti-Gang Unit (TAG), better regional cooperation in sharing fingerprints of violent criminals (the CAFE initiative), support of major judicial reforms to increase conviction rates, technical assistance to improve evidence collection and management, extensive training at the International Law Enforcement Academy (ILEA), and better information sharing between DHS and the GOES regarding deportees' criminal background (the new E-Travel Document program).

 $\underline{\P}$ 5. (C) Despite this intensive collaboration, the Saca administration has still not shown the political will to make tough decisions about improved tax collection, together with more robust investment in public security, in order to stop violent crime. In fact, on February 10 Foreign Minister Lainez called the Secretary to propose a poorly thought-out "debt for security" swap. High-ranking Saca administration members, including Minister of Public Security and Justice Rene Figueroa (Saca's favorite as ARENA's 2009 presidential candidate), tend to blame the United States for the violent crime situation, citing the deportation of violent criminals back to El Salvador. This remains one of the few points of friction in our otherwise strong bilateral relationship, and post has aggressively lobbied the GOES to accept the E-Travel Document, OAS Prisoner Exchange Treaty, and possible extradition of the gang leaders to face charges in the U.S. as possible areas for greater collaboration. These USG proposals have been offered since Saca raised these issues with the President and the National Security Adviser in September, on the margins of the UN General Assembly. Saca may also express concern that convicted criminals are making deals with state prosecutors to accept deportation to El Salvador, in exchange for early release.

Temporary Protected Status

16. (C) Roughly 250,000 Salvadorans have benefited from TPS, which has been renewed four times since it was instituted in March 2001 in response to two deadly earthquakes. President Saca views further extensions of TPS as one of his top priorities. Without an additional renewal, TPS will expire in September 2007. El Salvador continues to rebuild infrastructure damaged or destroyed by the earthquakes, plus subsequent damage from October 2005 and December 2006 natural disasters. Only two of the seven hospitals destroyed in 2001 have broken ground to rebuild; the other five are still in the design and procurement stage. The cost of reconstruction has diverted resources from other productive activity and critical needs, such as public security, public health, nutrition programs, and education. El Salvador continues to suffer from high unemployment and underemployment.

Major Non-NATO Ally Status

17. (C) GOES Minister of Defense Romero remains interested in the possibility of El Salvador receiving Major Non-NATO Ally (MNNA) status; Salvadoran forces' significant participation in Iraq (which has included five fatalities) has raised the profile of this issue within military and other government circles. Post supports MNNA as an important symbolic designation for one of our most reliable allies. Saca may raise MNNA during his visit.

Iraq Deployment

18. (C) The eighth contingent of El Salvador's Cuscatlan Battalion has just arrived in Iraq; over 3,000 Salvadoran troops have now served with the U.S.-led coalition, and El

Salvador remains the sole Western Hemisphere nation participating in Operation Iraqi Freedom (OIF). Although polls indicate that the government's deployment of troops to Iraq is unpopular with a majority of Salvadorans, post believes the Saca Administration will continue to expend political capital to keep Salvadoran forces in the coalition. In December 2006, the nation's Legislative Assembly voted a one-year extension of authorization for deployment of troops to Iraq. Positive press coverage of the troop rotation in leading media has underscored the Salvadorans' excellent reconstruction work; local Iraqi leaders in Al Kut have been shown expressing their gratitude to El Salvador. By all accounts, the Iraqi government would like to have more Salvadoran troops participating in the coalition. Butler